

PERRY COUNTY BOARD OF COMMISSIONERS

MINUTES – AUGUST 15, 2012

The Perry County Board of Commissioners met at 8:00 a.m. as was duly advertised. All three commissioners were in attendance: President, Bill Amos, Louis Jody Fortwendel, and Thomas Hauser. A representative of the *Perry County News* was present. Also attend the meeting was County Attorney, Chris Goffinet, and County Administrator, Teresa Kanneberg.

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The payroll docket was approved in the amount of \$114,660.85 for the payroll distributed on August 13, 2012. Tom made a motion to approve the docket, and Jody seconded. Motion carried 3-0.

BID AWARDING – SHERIFF OFFICE AND DETENTION CENTER

Eric Ratts with DLZ attended the meeting and explained that their company had reviewed all 8 bids that had been received on the project. He explained that all the bids were good bids. He stated the all bids received were in line and price range for the size of the project. Representatives from DLZ had met with Craftsman Construction of Huntingburg, who was the low bidder on the project in the amount of \$10,035,000.00. Eric stated that they had checked Craftsman's references along with reviewing their financial statements. Eric also explained that DLZ had reviewed all alternate bids submitted by Craftsman Construction and they appear to be reasonable. He stated that it was up to the commissioners as to which if any alternate bids they accepted.

Jon Menke, Vice President of Craftsman Construction, stated that they had met with DLZ and discussed the project. He explained that the project is simple in construction, and they are ready to start the project. Mr. Menke explained that 10 percent of the workers who will build the jail, are local people and union participation will be 50 percent. He stated that they will be using several local businesses on the project. Jody asked Mr. Menke if they will be paying union wages and also where the workers are from. Mr. Menke explained that they have their own workers and yes they will pay from union wage scale.

Eric stated that they could not start on the project until the notice to proceed was given and the contracts prepared and signed. It was also stated that the funding had to be in place before any of this could take place.

Sheriff Lee Chestnut stated that he would like to see the commissioners accept all alternate bids except for #4 and #7. Sheriff Chestnut stated that he feels 90 days of recorded video will be enough. If anything happens in the jail within 90 days they can make a copy and keep it on file. He explained that most of their paper work is web based and at this time they do not need the movable storage system. If the commissioners decide to accept the other alternate bids this would add an additional \$235,050 to the project cost.

Gary Malone and Lindsay Simonetto from H. J. Umbaugh & Associates attended the meeting and discussed the revenues that will be received and used to pay the bond issue. Lindsay stated that by adding the additional \$270,000 for the alternate bids this will bring the project over the \$12 million cap set on the project. It was explained that the overage can be paid from the Economic Development Income Tax Revenues that have been certified at a total of \$1.5 million for 2013. Lindsay explained that by June of 2013 \$270,000 will have been received that can be used to pay the additional cost of the project. By the end of 2013 another \$800,000 will have been received. Bonds are scheduled to be sold on September 6th and they hope to see interest rates below 4 percent. Lindsay explained that the jail will be owned by the County Redevelopment Authority and leased to the County Redevelopment Commission, which in turn will lease it to the county. Lease payments are estimated to be under \$960,000 annually and the \$1.5 million received annually will allow excess money to go toward an early payoff of the bonds and can be used if there is any fluctuation in the income tax revenue.

County Attorney, Chris Goffinet, reminded everyone that the EDIT tax can only be used to pay the bond payments on the jail project, and after the bonds are paid off the tax goes away.

Jim Schank with Indiana, Kentucky, and Ohio Regional Council of Carpenters explained that they have over 50 union workers that live in Perry County. He explained that these workers have worked on several project in the local area and were paid union wages. He stated that sometimes the lowest bidder may not always be the best bidder.

Commissioner Jody Fortwendel stated that three and a half years had gone into planning and working on this project. He stated that he is a big union supporter and feels that everything was done fairly. Commissioner Tom Hauser congratulated Craftsman on their efforts to employ local people on the project.

Jody made the motion to accept the bid from Craftsman Construction in the amount of \$10,035,000 along with Alternate bids #1, 2, 3, 5 & 6 in the amount of \$235,050. Tom seconded the motion and motion carried 3-0.

Teresa announced that the next regular meeting of the Commissioners will be on Wednesday, September 5, 2012 at 6:00 p.m. The change from Monday to Wednesday was because of Labor Day being the first Monday of the month.

The meeting ended in open session at 8:35 a.m.

Minutes approved this 5th day of September, 2012.

Bill Amos, President

Louis Jody Fortwendel

Thomas J. Hauser

*Minutes prepared by:
Connie A. Berger, Perry County Auditor*